

PRELIMINARY REPORT
EVALUATION OF REUSE AND DISPOSAL OPTIONS FOR
PMA Nos. 1598 and 1600

Resolution 29799 directs that the Executive is to make its recommendations on the reuse or disposal of excess property on a case by case basis, using *the Procedures for Evaluation of the Reuse and Disposal of the City's Real Property* adopted by that resolution. Additionally, the Resolution identifies guidelines, which are to be considered in making a recommendation. This report addresses each of the guidelines outlined in Resolution 29799 in support of the recommendation. This report also follows those provisions of Resolution 30862, adopted May 1, 2006, that amended Resolution 29799.

Property Management Area: **PMA Nos. 1598 and 1600– Two adjoining parcels located one lot north of the NW corner of the intersection of S. Irving St. and 29th Ave. S.**

BACKGROUND INFORMATION

Legal Description: Lots 9 and 10, Block 1, Jackson and Rainier Streets Addition , recorded in Volume 3 of Plats, page 65, Records of King County, Washington, EXCEPT the west 15 feet thereof.

Physical Description and Related Factors: PMA Nos. 1598 and 1600 will be referred to as one property in this report. The property is located on the east side of 29th Avenue South, one lot north of the intersection of S. Irving Street and 29th Ave. South. The parcels are identified by the King County Assessor as Property Identification Nos. 364410-0045 and 364410-0050. They are situated in the Judkins neighborhood, a relatively quiet residential community in the I-90 redevelopment area that has experienced a burst of remodeling and construction of affordable single family homes and multiple unit buildings. The property is zoned L-1 – Lowrise 1- a multifamily residential zone that allows townhouses in scale with single family surroundings or cottage housing with a density limit of 1/1600sf.

The property is comprised of two same-sized lots, each of 2025 SF, comprising a total area of 4050 SF. Each lot has dimensions of 25 feet along its east and west boundaries and 81 feet running along its north and south lines, therefore the combined lots are a 50' by 81' rectangle. The site is mostly level and is situated approximately 12 to 15 feet above grade. There is a slight slope downward from the NE to SW corners of the site. Along the eastern boundary on 29th Ave. S., a slope of about 30 degrees leads up to the main flat area of the property from the sidewalk. This slope is covered with low-growing holly and several 40-50' Vine Maples that are rooted along the slope. The lots are bracketed by an L-shaped lot, Tax PIN 364410-0056, which adjoins the subject along the complete length of its west and south boundary lines. This tax lot is privately owned and for the most part, its area contains the land that slopes upward from the sidewalk grade to the flat city-owned parcels.

Situated to the north is a duplex – 1319 and 1321 19th Ave. S. – that shares the level topography of the subject. It appears that this residence may be encroaching on PMA No. 1598. If so, the Fleets and Facilities Department (FFD) will initiate actions to remedy the encroachment. Located to the west and east of the property, across the street, are relatively new multi-unit and single-family residences, the latter developed by HomeSight. Sam Smith Park lies across S. Irving St, to the south of the property.

GUIDELINE A: CONSISTENCY

The analysis should consider the purpose for which the property was originally acquired, funding sources used to acquire the property, terms and conditions of original acquisition, the title or deed conveying the property, or any other contract or instrument by which the City is bound or to which the property is subject, and City, state or federal ordinances, statutes and regulations.

The lots that comprise PMA Nos. 1598 and 1600 were deeded to the City from King County on June 13, 1964 under King County Recording No. 5748555. City Ordinance 92971 accepted the deed from King County. These were tax title parcels that had been foreclosed upon by King County. The properties were purchased to protect assessment liens and for possible future use for right of way in the connection with the proposed parallel Lake Washington Bridge. Payment was made from the Property Sales Fund and the property became an asset of the Tax Property Sales Fund. In 1985, the west 15 feet of both Lot 9 and Lot 10 were deeded to WSDOT for possible Interstate 90 use or staging.

The City is not bound by any other contract or instrument to which the property is subject. There are no extraordinary ordinances, laws, or regulations that apply to these properties.

GUIDELINE B: COMPATIBILITY AND SUITABILITY

The recommendation should reflect an assessment of the potential for use of the property in support of adopted Neighborhood Plans; as or in support of low-income housing and/or affordable housing; in support of economic development; for park or open space; in support of Sound Transit Link Light Rail station area development; as or in support of child care facilities, and in support of other priorities reflected in adopted City policies.

Context.

This property parcel is located in the far southeast section of the Central Neighborhood Planning Area within the City of Seattle. PMA Nos. 1598 and 1600 were not specifically identified in the neighborhood plan as a site needed for the implementation of community goals or proposed as a suitable location for neighborhood open space. The Open Space section of the Central Area Approval and Adoption Matrix identifies a desire to “preserve all City and School District owned properties that are proposed for sale for open space and community use.

The Central Area Action Plan (CAAP) addressed the human cost of neighborhood development. It proposed a staff project to identify people and families displaced by rising neighborhood values and linking them with programs that can help save their homes and allow them to purchase where they are currently renting. HomeSight has been at the forefront of conducting home ownership seminars and programs that assist first-time home buyers in the neighborhood. In an area where home ownership has been declining for three decades, the Plan encourages the expansion of ownership programs to build community investment and to increase access to ownership for more income levels.

In regards to land use, LU-3.4.2 of the CAAP encourages the use of the Residential Small Lot (RSL) zoning designation to provide for the potential of increasing existing densities and “low impact” redevelopment of low density multifamily zones currently developed as single family. It also recommends townhouses in low-rise zones, like L-1, that covers PMA Nos. 1598-1600.

For Design Guidelines, the CAAP wants to ensure that new infill residential developments remain compatible with and sensitive to the existing form of the individual neighborhood as a whole,

with particular attention to existing structures. Guidelines are promoted for “tall and skinny” units, encouraging new development to respect existing setbacks and promoting pedestrian qualities for mixed use and multifamily projects.

PMA 1598-1600 is too small for use as a pocket park and the neighborhood is already well-served by a number of Parks facilities. In fact, the CAAP recognizes that the Central Area is “well served in terms of its amount of parklands, recreational facilities, school grounds, and community centers”. Additionally, it is not large enough or appropriate for a community garden space.

Low income or affordable housing is a potential site use that meets Council priorities. However, neither the Office of Housing nor the Seattle Housing Authority expressed an interest or proposed a plan for developing the property with affordable units.

There are no other priorities reflected in adopted city policies that could be served by this particular property.

There are several city-owned properties in the general area:

Property	Size in S.F.	Description	Juris. Department	Location relative to PMA Nos. 1598-1600
PMA No. 4242 – Sam Smith Park	940,555	park and recreation area above I-90	Owned by WSDOT: managed by Parks Dept.	Immediately south
PMA No. 3121 - Jimi Hendrix Park	100,664	recreation area with courts	Parks	4 blocks southwest
PMA No. 4418 – Blue Dog Pond	98,573	dog run, open space	Parks	3 block southwest
PMA No. 4427 – Mt. Baker Ridge Viewpoint	5,043	overlook park	Parks	3 block southeast
PMA No. 397 – Judkins Park and Playfield	800,699	park and play area, community center	Parks	5 blocks west
PMA No. 4112 Judkins P-patch	11,471	Community garden	Neighborhoods	4 blocks northwest
PMA No. 4207	8,800	Two vacant housing sites	Office of Housing	4 blocks northwest
PMA No. 71	633	Vacant land	Fleets & Facilities	1 block west
PMA 1594-1597, 1599, 1601-1602	16,800	Seven lots; potential housing site	Fleets & Facilities	2 blocks east

Range of Options:

The options for disposition of these parcels include retention by the city for a public purpose, long-term ground lease, negotiated sale with a motivated purchaser, or sale by public bid. An Excess Property Notice for this property (PMA Nos. 1598 and 1600) was circulated November, 2003 to assess other City department and public entity interest in use of the property. No City department or other public entity identified any current or future use or need for the properties at that time nor has FFD been contacted regarding its availability by a City department or public entity since that date. Given the lack of identified current or future municipal use, long-term lease or retention of the property is not in the city's best interests. The adjoining property owner has expressed interest in acquiring the city parcels at least several times over the past five years. Now that her property has been offered for sale, the city has been contacted by a half-dozen agents for private parties who see the increased development value afforded by a combination of the three lots. Sale by public bid is an equitable manner of selling this property that should achieve a competitive price.

GUIDELINE C: OTHER FACTORS

The recommendation should consider the highest and best use of the property, compatibility of the proposed use with the physical characteristics of the property and with surrounding uses, timing and term of the proposed use, appropriateness of the consideration to be received, unique attributes that make the property hard to replace, potential for consolidation with adjacent public property to accomplish future goals and objectives, conditions in the real estate market, and known environmental factors that make affect the value of the property.

Highest and Best Use:

The land is zoned L-1 – Lowrise 1. The highest and best use of this property site is for the development of 3 residential units, probably townhouses or cottage housing, as the zoning caps the density limit at 1/1600 SF.

Compatibility with the physical characteristics:

The site is relatively level with a slight slope southward and westward. Alone, it would support the development of several units of housing; combined with the adjoining L-shaped property, an additional two units would likely be feasible. The second story of townhouse buildings would likely have views of both downtown Seattle to the northwest and south over Sam Smith Park.

Compatibility with surrounding uses:

The parcel is suited for housing in a mixed single family and multi-family residential neighborhood that has experienced significant housing construction gains in the last 6 years.

Timing and Term of Proposed Use:

No specific use is recommended for the property. If sold by public bid, no conditions are proposed affecting use or development by the successful bidder. Those conditions would be determined by the Department of Planning and Development.

Appropriateness of the consideration:

The 2008 assessed value of the combined lots is \$194,000. The property is proposed to be sold to the highest successful bidder in accordance with procedures as approved by the City Council. Legislation would authorize the Real Estate Services Division of FFD to accept the highest competitive offer above a minimum bid threshold.

Unique Attributes:

Housing built on the site could be arranged to take advantage of views of downtown Seattle to the northwest and south. The proximity of several park and open space areas makes it a very desirable place to raise a family.

Potential for Consolidation with adjacent public property:

There are no publicly owned properties that are immediately adjacent to the subject property. As previously mentioned, Sam Smith Park is located south of the property, immediately across S. Irving Street.

Conditions in the real estate market:

The real estate market in Seattle remains fairly stable in spite of uncertainties at the national level. Although property values have stalled or depreciated slightly, the scarcity of developed land in Seattle means that in the long term property values will stay strong.

Known environmental factors:

A review of property files and several inspections of the property have been conducted. There is no evidence to suggest that further environmental assessments or investigations are warranted at this time.

GUIDELINE D: SALE

The recommendation should evaluate the potential for selling the property to non-City public entities and to members of the general public.

Non-city public entities were notified in November 2003 that this property was excess to the needs of the Fleets and Facilities Department. None expressed an interest in acquiring it for their specific public purposes or needs. A number of parties, including the adjoining owner to the south have expressed an interest purchasing the site, particularly because of its combined development value. They will be provided an opportunity to bid on the property as part of any sale process. A public bid process would not only provide a widely-advertised and marketed offering of the property, but a fair and open method for identifying a purchaser for this property.

PUBLIC INVOLVEMENT

In accordance with Resolution No. 30862, in September 2007, a notice concerning disposition or other use of this property was sent to all residences and owners within a 1000-foot radius of the subject properties, to neighborhood organizations and to community council representatives, and to parties that had expressed interest in acquiring. Out of 615 notices mailed, 12 responses were received. Six were from interested purchasers or their agents who wanted to be kept informed and notified as the property proceeds through the city's disposition procedures. The other six replies from neighborhood residents proposed a variety of uses: parking for the city fleet; a community garden, pocket park or playground; the development of housing, affordable or market rate, to rid the neighborhood of blighting city-owned vacant lots.

RECOMMENDATION

The best choice concerning this property is to sell the property by a public bid process. No City department or public agency identified a public purpose for the site. There is ample park and open space located within a 6-block radius of the property. The Real Estate Services Division of the Fleets and Facilities Department (FFD) recommends that PMA Nos. 1598 and 1600 be sold together through a public competitive bid process in a manner to be approved by the City Council.

THRESHOLD DETERMINATION

The Disposition Procedures provide that FFD assesses the complexity of the issues on each excess property following the initial round of public involvement. The purpose of this analysis is to structure the extent of additional public input that should be obtained prior to forwarding a recommendation to the City Council. The Property Threshold Determination Form prepared for PMA Nos. 1598 and 1600 is attached at the end of this report. Due to the minimal public comment on the excess property, lack of any proposals for public uses, the relatively low value, and the recommendation to sell, the property rates as “Simple” transaction.

NEXT STEPS

Following preparation of this Preliminary Report, FFD is required to provide a summary to the Real Estate Oversight Committee, to all City departments and Public Agencies that expressed an interest in the Excess Property, and to members of the public who responded to the Initial Public Notice. This notice will advise how to obtain a full copy of the report, note that FFD and REOC will consider comments on the Preliminary Report for 30 days after mailing the summary of the Preliminary Report and advise the recipient where and to whom any comments should be addressed. FFD will also post one sign visible to the public at each street frontage abutting the Excess Property which provides the same information.

After comments are received after the posting of the Preliminary Report, FFD then revises its recommendation as appropriate, and prepares a Preliminary Report including a full report on the public involvement phase and community comments and feedback. The Recommendation is then forwarded to the City Council with any legislation necessary to implement the recommendation for the excess property. All comment-makers and other interested parties are provided with at least two-weeks notice of the transmission of the legislative package concerning the property to the Council.

PROPERTY REVIEW PROCESS DETERMINATION FORM

Property Name:	Vacant parcels		
Address:	29 th Ave. S. & S. Irving St.		
PMA ID:	PMA Nos.1598-1600	Subject Parcel #:	4533
Dept./Dept ID:	FFD	Current Use:	None: Excess
Area (Sq. Ft.):	4050 s.f.	Zoning:	L-1
Est. Value:	\$ 225,000	Assessed Value:	\$ 196,000 in 2008

PROPOSED USES AND RECOMMENDED USE

Department/Governmental Agencies: None *Proposed Use: N/A*

Other Parties wishing to acquire: Owners and Potential Purchasers of Adjoining Property *Proposed Use: Housing Developemnt*

RES'S RECOMMENDED USE:
Sell by competitive public bid process to highest bidder.

PROPERTY REVIEW PROCESS DETERMINATION (circle appropriate response)

- | | | |
|---|---|----|
| 1.) Is more than one City dept/Public Agency wishing to acquire? | <input checked="" type="radio"/> No / <input type="radio"/> Yes | 15 |
| 2.) Are there any pending community proposals for Reuse/ Disposal? | <input checked="" type="radio"/> No / <input type="radio"/> Yes | 15 |
| 3.) Have citizens, community groups and/or other interested parties contacted the City regarding any of the proposed options? | No / <input checked="" type="radio"/> Yes | 15 |
| 4.) Will consideration be other than cash? | <input checked="" type="radio"/> No / <input type="radio"/> Yes | 10 |
| 5.) Is Sale or Trade to a private party being recommended? | No / <input checked="" type="radio"/> Yes | 25 |
| 6.) Will the proposed use require changes in zoning/other regulations? | <input checked="" type="radio"/> No / <input type="radio"/> Yes | 20 |
| 7.) Is the estimated Fair Market Value between \$250,000-\$1,000,000? | <input checked="" type="radio"/> No / <input type="radio"/> Yes | 10 |
| 8.) Is the estimated Fair Market Value over \$1,000,000? | <input checked="" type="radio"/> No / <input type="radio"/> Yes | 45 |

Total Number of Points Awarded for "Yes" Responses: **40**

Property Classification for purposes of Disposal review: ☒ Simple / ☐ Complex (circle one) (a score of 45+ points result in a "Complex" classification)

Signature: David C. Hemmelgarn

Department: FFD

Date: 12/17/2007